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# Canada's New Government Committed to Clean, Renewable Fuel Production

The Honourable Jim Flaherty, Minister of Finance, today visited a new ethanol plant in Varennes, Quebec, underscoring support in Budget 2007 for producers of renewable alternatives to gasoline.

"This is an historic period for the renewable fuels industry," said Minister Flaherty. "The world is waking to the tremendous possibilities before us, and we have an opportunity to change the landscape dramatically and drive smarter and cleaner. Canada's New Government is taking results-oriented steps to protect the environment and promote the well-being of farmers and our national economy."

"Canada's New Government is committed to encouraging the domestic production of renewable fuels to ensure the long-term profitability of the agriculture sector," said Christian Paradis, Secretary of State (Agriculture), on behalf of Chuck Strahl, Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board. "The cleaner our fuel, the cleaner our environment, and that's good news for the sector and for Canadians."

Budget 2007 provides $2 billion to support the development of a Canadian renewable fuels industry:

- Up to $1.5 billion over seven years for an operating incentive to producers of renewable alternatives to gasoline, such as ethanol, and renewable alternatives to diesel, such as biodiesel.

- $500 million over seven years to invest with the private sector to establish large-scale facilities for the production of next-generation renewable fuels, produced from agricultural and wood waste products.

"Through these two new initiatives, Canada's New Government is helping producers capture new market opportunities in biofuels and building new biofuels and biomass industries," said Minister Flaherty. "At the same time, we are working to achieve a strong and globally competitive Canadian bio-based economy."

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